



Senate Bill No. 386

Public Act No. 08-30

AN ACT CONCERNING BILLING PRACTICES OF NURSING HOME FACILITIES FOR SELF-PAY PATIENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (a) of section 17b-341 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) (1) As used in this section, "self-pay patient" means a patient who is not receiving state or municipal assistance to pay for the cost of care.

(2) The Commissioner of Social Services shall determine annually, after a public hearing, the rates to be charged to self-pay patients in any of the following licensed facilities if the facility does not have a provider agreement with the state to provide services to recipients of benefits obtained through Title XIX of the Social Security Amendments of 1965, except a facility that did not have a provider agreement in effect as of January 1, 1991, or had entered into a limited provider agreement before January 1, 1991: Chronic and convalescent nursing homes, chronic disease hospitals associated with chronic and convalescent nursing homes and rest homes with nursing supervision. Each such facility that does have such a provider agreement, each such facility that did not have a provider agreement in effect as of January 1,

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1991, or had entered into a limited provider agreement before January 1, 1991, and each residential care home shall determine its own self-pay rates. Rates determined pursuant to this section shall be effective July 1, 1991, and on July first of each year thereafter through June 30, 1993, and shall be determined for each facility individually, on the basis of payment for the reasonable costs of providing all services. All self-pay patients shall be given notice of a rate increase at least thirty days prior to the effective date of such rate increase. In determining rates to be charged to self-pay patients the commissioner shall: (1) Consider the quality of care provided by each facility, based on information which the Department of Public Health shall provide to the commissioner, and any testimony or information received from other interested parties; and (2) take into account the relevant cost considerations set forth in section 17b-340 of the 2008 supplement to the general statutes and in the regulations adopted in accordance with subsection (a) of section 17b-238. Such regulations shall include but not be limited to the establishment of a formula for allowing profit or an operating surplus, and a fair rate of return on invested capital or equity. Nothing in this section shall authorize the commissioner to set a rate lower than the rate set under section 17b-340 of the 2008 supplement to the general statutes for comparable services. [As used in this section "self-pay patient" means a patient who is not receiving state or municipal assistance to pay for the cost of care.] Each facility determining its own self-pay rates shall report such rates to the commissioner upon determination and upon any modification. The commissioner shall document each rate so reported and each rate determined for a facility by the commissioner pursuant to this section. Each facility shall charge any self-pay patient who is insured under a long-term care insurance policy which is precertified pursuant to section 38a-475 a rate which is at least five per cent less than the rate charged other self-pay patients. On and after April 1, 2008, each facility shall charge self-pay patients a per diem rate and not a monthly rate.

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Approved April 30, 2008